

United States Senate

WASHINGTON, DC 20510

May 10, 2011

The Honorable Clifford L. Stanley
Under Secretary of Defense for Personnel and Readiness
4000 Defense Pentagon
Washington, DC 20301-4000

Dear Under Secretary Stanley:

In accordance with section 643 of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (P.L. 111-383), we understand that you will be reviewing Government Accountability Office (GAO) report GAO-11-266R prior to making a determination on whether operations should be continued at the commissary in Topsham, Maine. Thus, we wish to take this opportunity to offer our perspective on GAO's findings and the reasons why commissary operations should continue at the Topsham location.

The GAO's key finding is that "some of the general and economic criteria in the DOD instruction are not clear and are open to interpretation on when to establish or continue a commissary versus when to discontinue commissary operations." The current status of the Topsham commissary reflects this finding: a sufficient number of military personnel live in the area to justify the establishment of a new commissary under DOD Instruction 1330.17, yet the same instruction has been interpreted by some to justify closure of the existing commissary. The instruction also states that, "as a general rule, commissary operations are discontinued when an installation is completely closed and no active-duty or reserve component personnel remain on the installation," but GAO reported that the instruction is unclear as to what conditions would warrant an exception to the general rule.

Your March 30, 2010, letter to Senate Armed Services Committee Chairman Levin indicated that the Topsham commissary was slated for closure because it was not financially practicable. However, the GAO reports that the current DoD guidance does not provide any measurable criteria or quantifiable metrics for such key terms as "economically supportable." It is troubling to us that the Department has relied upon such undefined terms in previous assessments to justify the closure of the Topsham commissary, particularly when evidence indicates that it performs better than many other commissaries.

Even after the closure of NAS Brunswick, the Topsham commissary is projected to serve more eligible personnel, perform with greater efficiency, and have more sales than many other commissaries that will remain in operation around the United States. Topsham sales projections for fiscal year 2012 exceed the sales of 75 existing commissaries in fiscal year 2010.¹ Topsham will also serve more users than about 25 other locations within the United States, and was more efficient, based upon unit cost, than 55 other locations within the United States.²

¹ Exchange and Commissary News, January 2011.

² Defense Commissary Agency (DECA) report data for FY2009.

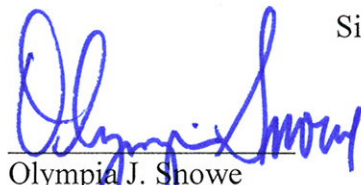
DoD Instruction 1330.17 also states that the primary consideration in assessing the need for a commissary store is the effect on active-duty personnel and their dependents. We are troubled that GAO found that "the instruction does not specify how this effect should be measured and used in criteria." How can a decision be made regarding the Topsham commissary if the primary consideration in the decision-making process has not been quantifiably measured or evaluated?

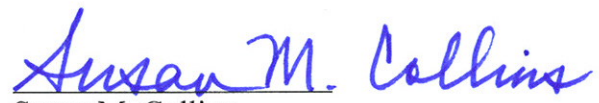
We strongly believe that closure of the commissary would have a substantial negative impact on the more than 300 temporary and permanent active-duty service members remaining within the immediate 20-mile radius of the Topsham commissary. Furthermore, the Navy's Supervisor of Shipbuilding, Conversion, and Repair office in Bath, Maine, recently awarded a contract to place Navy personnel in housing units at the former NAS Brunswick base. Given that other commissaries are more than 70 miles away, the Topsham commissary will be an important benefit for these active duty personnel, who will not have access to the services available to those who live on or near an active military installation.

We understand that DOD agrees with GAO's recommendations to clarify its guidance and we urge you to initiate a revision of DOD Instruction 1330.17 in the near future. In addition, we request that no store that remains open as of the date of this letter – to include the Topsham commissary – should be considered for closure until a revision to the instruction has been completed.

Thank you for your prompt attention, and we look forward to discussing the requirement for continued commissary and exchange operations in the Brunswick, Maine, area with you in the weeks ahead.

Sincerely,


Olympia J. Snowe
United States Senator


Susan M. Collins
United States Senator